

(1) A request for condemnation shall be submitted by the FmHA or its successor agency under Public Law 103-354 State Director to the Administrator, FmHA or its successor agency under Public Law 103-354, Washington, DC 20250 at the request of the Governor of the appropriate State. A copy of the Governor's request for FmHA or its successor agency under Public Law 103-354 real property condemnation and the State Attorney General's opinion that State and local government condemnation authority is lacking shall be attached to the FmHA or its successor agency under Public Law 103-354 State Director's request.

(2) The Administrator shall forward all requests for Federal condemnation to the OGC, USDA with a recommendation for action.

(3) The Administrator, FmHA or its successor agency under Public Law 103-354 shall inform the Governor of any action on the request for condemnation.

(4) Real property condemned by FmHA or its successor agency under Public Law 103-354 shall be transferred to the requesting State by a quitclaim Deed for a price equal to the fair market value of the real property in accordance with terms of a negotiated real property transfer agreement.

(5) After obtaining title to real property and prior to transfer to the State, the property shall be managed by FmHA or its successor agency under Public Law 103-354 in accordance with part 1955, subpart B of this chapter.

(b) FmHA or its successor agency under Public Law 103-354 may not condemn Indian Trust Land or U.S. Forest Service Land.

§ 1948.90 Land transfers.

(a) Transfers of real property acquired by FmHA or its successor agency under Public Law 103-354.

(1) A request for FmHA or its successor agency under Public Law 103-354 acquisition of real property by a Governor of a State constitutes an agreement by that State to receive said real property and to reimburse FmHA or its successor agency under Public Law 103-354 for the fair market value of said real property for the intended use.

(2) Terms and conditions, including reimbursement terms, for real property transfers shall be set forth in a Real Property Transfer Agreement between the Administrator, FmHA or its successor agency under Public Law 103-354 and the appropriate Governor. These terms and conditions will be agreed upon by FmHA or its successor agency under Public Law 103-354 and the State prior to FmHA or its successor agency under Public Law 103-354 attempting to acquire the property. These agreements shall be prepared after consulting with OGC, and forwarded for prior approval by the FmHA or its successor agency under Public Law 103-354 National Office.

(3) All funds from real property transfers received by FmHA or its successor agency under Public Law 103-354 shall be deposited in the U.S. Treasury.

(b) Transfer of real property acquired and/or developed with grant funds from a grant made under this subpart to a person.

(1) Real property acquired and/or developed under this subpart may be transferred to a person for the purposes of construction of privately-owned housing.

(2) All transfers of real property to a person must be approved by the FmHA or its successor agency under Public Law 103-354 State Director of the appropriate State.

(3) Transfer of real property by a recipient of assistance under this subpart to a person must be by contract which: acknowledges the use of funds provided under this subpart to acquire or develop the site; specifies the date of performance prior to delivery of the deed; provides for FmHA or its successor agency under Public Law 103-354 concurrence before changes or modifications; and assures FmHA or its successor agency under Public Law 103-354 that the real property will be used for the purposes under which the grant was made.

(4) Proceeds derived from the sale of land acquired or developed through the use of a grant provided under this subpart must be divided between the grantee and FmHA or its successor agency under Public Law 103-354 on a pro rata basis. A grantee may not recover its costs from sale proceeds to

the exclusion of FmHA or its successor agency under Public Law 103-354. The amount to be returned to FmHA or its successor agency under Public Law 103-354 is to be computed by applying the percentage of FmHA or its successor agency under Public Law 103-354 grant participation in the total cost of the project to the proceeds from the sale. Funds will be transmitted to the Finance Office in accordance with FmHA Instruction 1951-B, §1951.58(k), available in FmHA or its successor agency under Public Law 103-354 offices.

(5) All funds received by FmHA or its successor agency under Public Law 103-354 from real property transfers shall be deposited in the U.S. Treasury.

(42 U.S.C. 8401; delegation of authority by the Secretary of Agriculture, 7 CFR 2.23; delegation of authority by the Assistant Secretary for Rural Development, 7 CFR 2.70)

[44 FR 35984, June 19, 1979, as amended at 46 FR 33022, June 26, 1981; 56 FR 28038, June 19, 1991]

§ 1948.91 Inspections of development.

Inspections will be made by the FmHA or its successor agency under Public Law 103-354 State Engineer or other employee designated by the FmHA or its successor agency under Public Law 103-354 State Director to ascertain whether site development is proceeding in accordance with plans and specifications. Such inspections are solely for the benefit of the Government and not for the benefit of the Grantee or any other person.

§ 1948.92 Grant approval and fund obligation.

(a) The FmHA or its successor agency under Public Law 103-354 State Office shall review the docket to determine whether the proposed grant complies with this subpart and that funds are available.

(b) The FmHA or its successor agency under Public Law 103-354 State Director shall be the approving officer on all grants made under this subpart.

(c) If at any time prior to grant approval it is decided that favorable action will not be taken on a preapplication or application, the FmHA or its successor agency under Public Law 103-354 State Director will notify the applicant in writing of the

reasons why the request was not favorably considered. The notification to the applicant will state that a review of this decision by FmHA or its successor agency under Public Law 103-354 may be requested by the applicant in accordance with FmHA Instruction 1900-B.

(d) If a grant is recommended, Form FmHA or its successor agency under Public Law 103-354 440-1 and the proposed grant agreement and scope of work will be prepared and forwarded to the applicant for signature.

(e) When Form FmHA or its successor agency under Public Law 103-354 440-1 and the grant agreement and scope of work are received by the applicant, the applicant will sign these documents and forward them to the State Director.

(f) Exhibit A to FmHA Instruction 2015-C (available in any FmHA or its successor agency under Public Law 103-354 Office) will be prepared by the State Director and sent to the Director of Information, Farmers Home Administration or its successor agency under Public Law 103-354.

(g) If the State Director approves the project, the following actions will be taken in the order listed:

(1) The State Director, or a designee, will telephone the Finance Office requesting that grant funds for a particular project be obligated. Immediately after contacting the Finance Office, the requesting official shall furnish the requesting office's security identification code. Failure to furnish the security code will result in the rejection of the request of obligation. After the security code is furnished, the required information from Form FmHA or its successor agency under Public Law 103-354 440-1 shall be furnished to the Finance Office. Upon receipt of the telephone request for obligation of funds, the Finance Office shall record all information necessary to process the request for obligation in addition to the date and time of request.

(2) The individual making the request shall record the date and time of the request.

(3) The Finance Office will notify the FmHA or its successor agency under Public Law 103-354 State Office by telephone when funds are reserved and the